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MEMORANDUM

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FROM:

Ernest Johnson

Director () Lor

Utilities Division

AZ CORP COMMISSION

OOCKETEL

DOCKETED BY

DATE:

January 2, 2008

RE:

STAFF COMPLIANCE REPORT FOR GOLD CANYON SEWER COMPANY,

DOCKET NO. SW-02519A-06-0015 (RATES) AND DECISION NO. 69664

Introduction

On June 28, 2007, the Commission issued Decision No. 69664 granting a rate increase to Gold Canyon Sewer Company ("Company"). Pursuant to that Decision, Staff was ordered to "conduct annual odor detection site visits and provide a report in this docket by December 31st of each year, as a compliance measure, with the first report to be filed by no later than December 31, 2007." This memorandum is Staff's compliance report.

Staff's Compliance Report

Staff conducted two unannounced site visits; one on November 29, 2007, and one on December 19, 2007. Both site visits were conducted by Staff's Engineering and Consumer Services Section members, accompanied by the Company's Plant Supervisor, Dan Schanaman. During both visits, Staff toured the wastewater treatment plant ("WWTP"), the MountainBrook Village Subdivision east of the WWTP, and the commercial area west of the WWTP; i.e., Bashas area. During both site visits, Staff did not detect any odors.

The Company had installed four monitors at the following locations; the scrubber inlet, the scrubber outlet, the east wall, and the golf course north of the WWTP. The Company also provided the monitoring results from each of the installed monitors that monitor for hydrogen sulfide ("H2S") for the period from October 17, 2007, to December 5, 2007. The maximum compliance level for H2S is 0.03 parts per million ("ppm"). Readings at the east wall and the golf course monitors showed an average of 0 ppm. Readings at the scrubber inlet showed an average of 4 ppm (where readings are expected to be higher before scrubber treatment) while the scrubber outlet showed an average of 0 ppm. It was also noted on the readings taken from November 27, 2007, to December 4, 2007, that the failure of a chemical pump and recirculation pump caused high readings. Once these pumps were placed back into service the readings dropped back down the 0 ppm.

Staff contacted the Arizona Department of Environmental Quality ("ADEQ") for any recent odor complaints and/or odor complaint inspections. For the period from June 2007 to

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December 2007, ADEQ had not received any odor complaints nor had they conducted an odor complaint inspection.

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Originator: Marlin Scott, Jr.

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Service list for Gold Canyon Sewer Company Docket No. SW-02519A-06-0015

Jay L. Shapiro Todd Wiley Patrick J. Black FENNEMORE CRAIG 3003 N. Central Avenue, Suite 2600 Phoenix, Arizona 85012

Daniel Pozefsky Scott Wakefield RUCO 1110 West Washington Street, Ste. 220 Phoenix, Arizona 85007

Andy Kurtz Mountainbrook Village at Gold Canyon Ranch Association 5674 S. Marble Drive Gold Canyon, Arizona 85218

Mark Tucker Mark Tucker, P.C. Attorney for Cal-Am Properties, Inc. 7373 East Highway 60 Gold Canyon, Arizona 85219

Christopher Kempley Chief Counsel, Legal Division Arizona Corporation Commission 1200 W. Washington Street Phoenix, Arizona 85007

Ernest G. Johnson Director, Utilities Division Arizona Corporation Commission 1200 W. Washington Street Phoenix, Arizona 85007